

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2539-01  
Bill No.: HB 1050  
Subject: Licenses - Motor Vehicles; Motor Vehicles; Revenue Dept.; Veterans.  
Type: Original  
Date: December 18, 2001

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
Highway Funds	(\$1,809)	(\$2,171)	(\$2,171)
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>(\$1,809)</b>	<b>(\$2,171)</b>	<b>(\$2,171)</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
Cities	(\$362)	(\$434)	(\$434)
Counties	(\$241)	(\$290)	(\$290)
<b>Local Government</b>	<b>(\$603)</b>	<b>(\$724)</b>	<b>(\$724)</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Revenue** said recipients of purple heart plates are only required to pay the \$15 special plate fee at the initial time of application and not at renewal time. In FY01, 193 owners applied for new purple heart plates.

The Motor Vehicle Bureau will insert a flyer with each special/personalized plate renewal notice informing the applicant that these fees are being eliminated. The MVB anticipates the cost for policy revisions, envelopes, flyers and postage will be minimal and will absorb through existing resources.

### **REVENUE IMPACT**

Since there were only 193 new applicants for purple heart plates in FY01 it is anticipated that the revenue loss will have minimal impact.

**Oversight** assumes approximate lost revenue for:

#### FY03

$193 \times \$15.00 = \$2895/12 \times 10 = \$2412 \times 75\% = (\$1809) \text{ Highway}$   
 $\quad \quad \quad \times 15\% = (\$362) \text{ Cities}$   
 $\quad \quad \quad \times 10\% = (\$241) \text{ Counties}$

#### FY04 & FY05

$193 \times \$15.00 = \$2895 \times 75\% = (\$2171) \text{ Highway}$   
 $\quad \quad \quad \times 15\% = (\$434) \text{ Cities}$   
 $\quad \quad \quad \times 10\% = (\$290) \text{ Counties}$

Officials from the **Missouri State Highway Patrol** anticipate no fiscal impact.

Officials from the **Budget and Planning** said this proposed legislation should not result in additional cost or savings to their division. Officials stated there would be a decrease in total state revenue and defer to the Department of Revenue for revenue impact.

Officials from the **Missouri Veterans Commission** assume no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
Loss - Department of Revenue			
Special license plate fees	(\$1,809)	(\$2,171)	(\$2,171)
<b>NET EFFECT ON HIGHWAY FUND</b>	<b><u>(\$1,809)</u></b>	<b><u>(\$2,171)</u></b>	<b><u>(\$2,171)</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
Cities			
Special license plate fees	(\$362)	(\$434)	(\$434)
Counties			
Special license plate fees	(\$241)	(\$290)	(\$290)
<b>NET EFFECT ON LOCAL GOVERNMENT</b>	<b><u>(\$603)</u></b>	<b><u>(\$724)</u></b>	<b><u>(\$724)</u></b>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

Under this bill, no personalized plate fee will be charged for the "Purple Heart" license plate.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue  
Missouri State Highway Patrol  
Budget and Planning  
Missouri Veterans Commission

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive "e" at the end.

Jeanne Jarrett, CPA  
Director  
December 18, 2001